

**WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC**  
**Week 46 –09<sup>th</sup> November to 15<sup>th</sup> November 2020**

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**Companies Act 2013 during the week**

**Rules -0; Circulars -1; Notifications-0; Orders-0; Important Notices -0**

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1.	09-11-2020	General Circular No. 37 / 2020	<p style="text-align: center;"><b>Extension of LLP Settlement Scheme, 2020.</b></p> <p style="text-align: center;"><a href="https://mca.gov.in/Ministry/pdf/GeneralCircularNo.37_09112020.pdf">https://mca.gov.in/Ministry/pdf/GeneralCircularNo.37_09112020.pdf</a></p>	<p>The LLP Settlement Scheme, 2020 was introduced on 30-03-2020 and the due date of the scheme was till <b>30-09-2020</b>. LLPs were allowed to file belated documents which were due for filing till <b>31<sup>st</sup> August 2020</b>.</p> <p>Earlier, MCA had extended the validity of the scheme from <b>30-09-2020</b> to <b>31-12-2020</b>. However, the date <b>31<sup>st</sup> August 2020</b> (on which filings are due) remained the same and was not changed.</p> <p>Now, MCA vide this circular has permitted filing belated documents which were due for filing till <b>30<sup>th</sup> November 2020</b> (earlier 30<sup>th</sup> August 2020).</p> <p>MCA also clarified that if the statement of accounts and solvency for the FY 2019-20 has been signed beyond the period of 6 months from the end of financial year but not</p>

				later than 30 <sup>th</sup> November, 2020, it shall not be deemed as non-compliance.
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S. No	NEWS ON MCA
	NIL

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**SEBI during the week**

**Act -0; Rules -0; Regulations-0; General Orders – 0; Guidelines- 0;**

**Master Circulars-0; Circulars –1; Press Release –0; Others -0;**

S. No	Date of Issue	Act/rules/circulars....	Subject & Link	Gist thereof
1.	13-11-2020	Circular- SEBI/HO/DDHS/DDHS/CIR /P/2020/231	<p><b>Non-compliance with provisions related to continuous disclosures</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/nov-2020/non-compliance-with-provisions-related-to-continuous-disclosures_48171.html">https://www.sebi.gov.in/legal/circulars/nov-2020/non-compliance-with-provisions-related-to-continuous-disclosures_48171.html</a></p>	<p>SEBI has prescribed continuous disclosure norms for issuers of NCDs, Non-Convertible Redeemable Preference shares and CPs.</p> <p>SEBI in order to ensure the effective enforcement of continuous disclosure, vide this circular has laid down a similar uniform structure for imposing fines for non-compliance.</p> <p>The provisions in this circular shall come into force for compliance period ending on or after 31-12-2020.</p>

S. No	NEWS ON SEBI
1)	<p><b>SEBI considering revamp of IPO rules on equity dilution</b> The Securities and Exchange Board of India (SEBI) is considering a reform of its initial public offer (IPO) regulations. The capital markets regulator may cut down the requirement of 10 percent equity dilution for IPOs that have more than Rs 4,000 crores of post-issue equity capital.</p>
2)	<p><b>SEBI proposes extending risk management committee requirement to top 1,000 listed entities.</b> Markets regulator SEBI on Tuesday proposed extending the requirement of constituting a risk management committee to top 1,000 listed entities from 500 at present. The risk management committee should meet at least twice in a year from the current practice of minimum one meeting every year, SEBI said in a consultation paper.</p>
3)	<p><b>Monitoring and Disclosures by Debenture Trustee(s)</b> SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Debenture Trustees) Regulations, 1993 mandates issuers to submit information/ documents to Debenture Trustee(s). In order to enable debenture trustee(s) to discharge its obligations in respect of listed debt securities, the debenture trustee(s) shall undertake independent periodical assessment of the compliance with covenants or terms of the issue of listed debt securities including for 'security created'. The provisions of this circular shall come into force w.e.f. quarter ended December 31, 2020 for listed debt securities.</p>

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**RBI during the week**

**Notifications -0; Master Directions –0; Master Circulars –0; Circular -1.**

**Press Release –0.**

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1.	13-11-2020	Circular- RBI/2020-21/66	<p><b>Discontinuation of Returns/Reports under Foreign Exchange Management Act, 1999</b></p> <p><a href="https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=11994&amp;Mode=0">https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=11994&amp;Mode=0</a></p>	<p>RBI has vide Master Directions dated 01-01-2016 has provided directions for reporting under FEMA Act, 1999. RBI with a view to improve the ease of doing business and reduce the cost of compliance has decided to discontinue 17 returns / reports with immediate effect. The list of discontinued reports / returns is enclosed as annexure to the circular.</p> <p>It is pertinent to note that most of the reports listed in the annexure are the ones being submitted by Authorized Dealer Bank with the RBI.</p>

S. No	NEWS ON RBI
	NIL

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**IBC during the week**

**Notifications -3; Master Directions –0; Master Circulars –0; Circular –0;**

**Press Release –0; Others – 0**

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1.	13-11-2020	Notification- No. IBBI/2020-21/GN/REG065	<p><b>Insolvency and Bankruptcy Board of India (Information Utilities) (Amendment) Regulations, 2020.</b></p> <p><a href="https://ibbi.gov.in/uploads/legalframework/1c05b4c5735edfff380a650335907d9b.pdf">https://ibbi.gov.in/uploads/legalframework/1c05b4c5735edfff380a650335907d9b.pdf</a></p>	<p>The Code defines financial information to mean certain records and ‘such other information as may be specified’. In exercise of this power, the IBBI amended the Regulations to specify public announcement made under the Code as financial information. It mandated the Information Utilities to disseminate the public announcement to its registered users, who are creditors of the CD undergoing insolvency proceeding. This is in addition to publishing the public announcement in the newspapers and websites as required in the Regulations.</p>

2.	13-11-2020	Notification- No. IBBI/2020-21/GN/REG066	<p style="text-align: center;"><b>Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fifth Amendment) Regulations, 2020.</b></p> <p style="text-align: center;"><a href="https://ibbi.gov.in/uploads/legalframework/f659d8b67003518230543dd56825fffc.pdf">https://ibbi.gov.in/uploads/legalframework/f659d8b67003518230543dd56825fffc.pdf</a></p>	<p>As per IBC, Financial Creditor along with the application for CIRP, is required to furnish “record of the default recorded with the information utility or such other record or evidence of default as may be specified”. IBBI amended the Regulations to specify two ‘other record or evidence of default’, namely, (a) certified copy of entries in the relevant account in the bankers’ book, and (b) order of a court or tribunal that has adjudicated upon the non-payment of a debt (where the period of appeal against such order has expired.)</p> <p>The Regulations provide that IRP/RP shall verify every claim and thereupon maintain a list of creditors and update it. He is required to file the list of creditors with the Adjudicating Authority (AA) and display it on the website, if any, of the CD. The IBBI amended the Regulations to require the IRP/RP to submit the list of creditors on an electronic platform for dissemination on its website.</p> <p>The resolution plan usually provides payment of debts to the creditors of the CD. In the interest of transparency, the IBBI amended the Regulations to require the RP to</p>
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				intimate each claimant the principle or formulae for payment of debts under a resolution plan, within 15 days of the order of the AA approving such resolution plan.
<b>3.</b>	<b>13-11-2020</b>	<b>Notification- IBBI/2020-21/GN/REG067</b>	<b>Insolvency and Bankruptcy Board of India (Liquidation Process) (Fourth Amendment) Regulations, 2020.</b>  <a href="https://ibbi.gov.in/uploads/legalframework/df8a1ae89b93af1cc7f6e5560421ac5f.pdf">https://ibbi.gov.in/uploads/legalframework/df8a1ae89b93af1cc7f6e5560421ac5f.pdf</a>	<p>To facilitate quick closure of the liquidation process, the IBBI made following amendments</p> <ul style="list-style-type: none"> <li>• Liquidator is authorised to assign or transfer a ‘not readily realisable asset’ to any person in consultation with the stakeholders’ consultation committee. “not readily realisable asset” means any asset included in the liquidation estate which could not be sold through available options and includes contingent or disputed assets, and assets underlying proceedings for preferential, undervalued, extortionate credit and fraudulent transactions.</li> <li>• Creditors can assign or transfer the debt due to it to any other person in accordance with the laws for the time being in force dealing with such assignment or transfer.</li> </ul>
<b>S. No</b>	<b>NEWS ON INSOLVENCY AND BANKRUPTCY CODE</b>			



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**Others during the week**

**NSE-0; BSE-0; DIPP-0; Finance Ministry-0; Others -1;**

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	10-11-2020	Notification	<p><b>Company Secretaries (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Amendment Rules, 2020.</b></p> <p><a href="http://www.egazette.nic.in/WriteReadData/2020/223030.pdf">http://www.egazette.nic.in/WriteReadData/2020/223030.pdf</a></p>	<p>These rules shall come into force from 10-11-2020.</p> <p>Gist of the major amendments are given below:</p> <ol style="list-style-type: none"> <li>1) Complaints, affidavits and other documents can be submitted through mail or any other recognized electronic means, including submission through online portal.</li> <li>2) Appearance before disciplinary committee through video conference or other audio visual means, is allowed</li> <li>3) Fees and Penalty can be paid through online mode.</li> </ol>

<b>S. No</b>	<b>GENERAL NEWS</b>
	NIL

<b>MSME NEWS</b>	
<b>1.</b>	<p><b>Announcement of Aatmanirbhar Bharat Package 3.0 by Union Finance &amp; Corporate Affairs Minister Smt. Nirmala Sitharaman to support Indian economy in fight against COVID-19.</b></p> <p>Hon'ble Finance Minister Smt. Nirmala Sitharaman while addressing in a press conference highlighted the progress on some key points of Atmanirbhar Bharat 1.0 and Atmanirbhar Bharat and 2.0. After the success of the first two legs of Atmanirbhar Bharat, Finance Minister today announced 12 new schemes under Atmanirbhar Bharat 3.0.</p>



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